

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: Fee		6. SURFACE Fee	
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A			
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A			
2. NAME OF OPERATOR: XTO Energy, Inc.				9. WELL NAME and NUMBER: COP 16-8-7-21			
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. B CITY Farmington STATE NM ZIP 87401				PHONE NUMBER: (505) 324-1090		10. FIELD AND POOL, OR WILDCAT: Ferron Sandstone	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 905' FNL x 1942' FWL AT PROPOSED PRODUCING ZONE: same <div style="margin-left: 200px;"><i>493980X 39.450945</i> <i>4366614Y -111.069969</i></div>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 7 16S 7E S			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 14 miles Northwest of Huntington, Ut				12. COUNTY: Emery		13. STATE: UTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1942		16. NUMBER OF ACRES IN LEASE 6707.23		17. NUMBER OF ACRES ASSIGNED TO THIS WELL:			
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 7500'		19. PROPOSED DEPTH: 7,290		20. BOND DESCRIPTION: UTB-000138			
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 9493' Ground Elevation		22. APPROXIMATE DATE WORK WILL START: 8/25/2007		23. ESTIMATED DURATION: 2 weeks			

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
14.75"	11.75"	J-55	47#	600	Type V	+/- 323 sx	1.61 ft3/sx	14.2 ppg
8.75"	5.5"	J-55	15.5#	7,290	CBM light wt - lead	+/- 55 sx	4.15 ft3/sx	10.5 ppg
					CBM light wt - tail	+/- 97 sx	1.81 ft3/sx	13.5 ppg

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance Tech
SIGNATURE *Kyla Vaughan* DATE 6/1/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-015-3071P

APPROVAL:

RECEIVED

JUN 08 2007

DIV. OF OIL, GAS & MINING

Range 8 East

Township 16 South

(NORTH - 5280.00')

N00°03'50"W - 2634.79'

(S89°52'E - 5504.40')

COP
#16-8-7-21
ELEV. 9492.5'

905.09'

1942.24'

UTM
N 4366610
E 493988

(N89°52'E - 5501.76')

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°27'03.279" N
111°04'11.543" W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

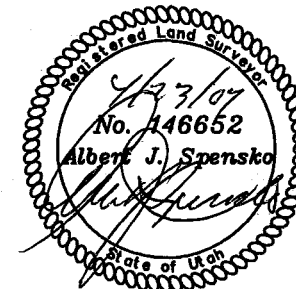
Basis of Elevation of 9694.0' being at the Southeast Section corner of Section 36, Township 15 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Hiawatha Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the NE/4 NW/4 of Section 7, T16S, R8E, S.L.B.&M., being 905.09' South and 1942.24' East from the Northwest Section Corner of Section 7, T16S, R8E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE

0 500' 1000'
(IN FEET)
1 inch = 1000ft.



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net

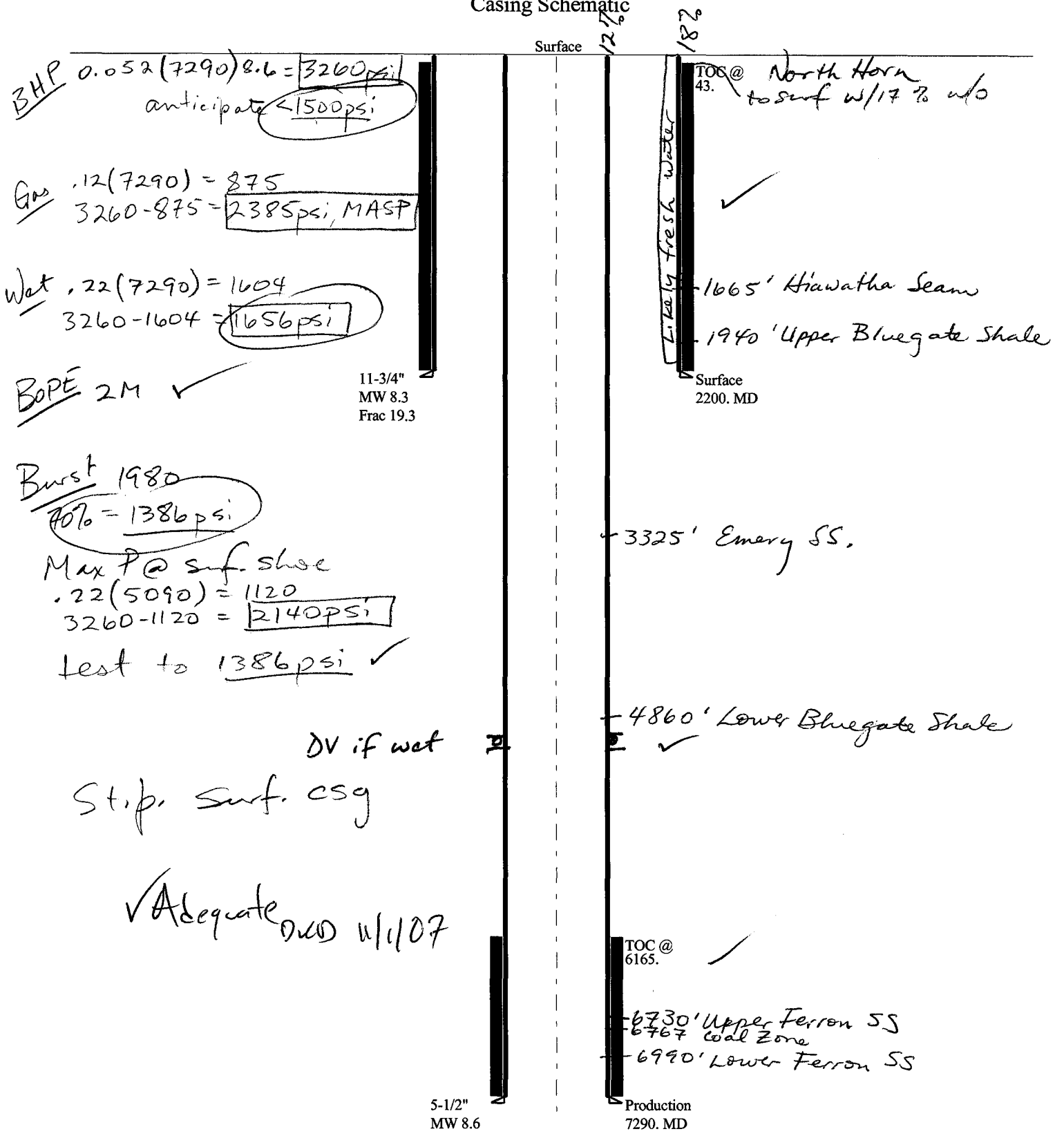


COP 16-8-7-21
Section 7, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 4/23/07
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2826

2007-09 XTO COP 16-8-7-21

Casing Schematic



Well name:

2007-09 XTO COP 16-8-7-21

Operator: **XTO Energy, Inc.**

String type: Surface

Project ID:

43-015-30716

Location: Emery County

Design parameters:**Collapse**Mud weight: 8.330 ppg
Internal fluid density: 2.000 ppg**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 96 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 150 ft

Cement top: Surface

BurstMax anticipated surface pressure: 1,936 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 2,200 psi

Annular backup: 8.33 ppg

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 1,929 ft

Non-directional string.**Re subsequent strings:**Next setting depth: 7,290 ft
Next mud weight: 8.600 ppg
Next setting BHP: 3,257 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,200 ft
Injection pressure: 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2200	11.75	42.00	H-40	ST&C	2200	2200	10.959	1474
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	723	1040	1.438	1936	1980	1.02	92	307	3.32 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: October 31, 2007
Salt Lake City, Utah**ENGINEERING STIPULATIONS:**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

2007-09 XTO COP 16-8-7-21

Operator: **XTO Energy, Inc.**

String type: Production

Project ID:

43-015-30716

Location: Emery County

Design parameters:

Collapse

Mud weight: 8.600 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 167 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 368 ft

Cement top: 6,165 ft

Burst

Max anticipated surface

pressure: 1,653 psi

Internal gradient: 0.220 psi/ft

Calculated BHP 3,257 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 6,342 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7290	5.5	15.50	J-55	ST&C	7290	7290	4.825	974.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3257	4040	1.240	3257	4810	1.48	113	202	1.79 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: October 24, 2007
Salt Lake City, Utah


ENGINEERING STIPULATIONS:

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

STATE ACTIONS
Resource Development Coordinating Committee
Public Lands Policy Coordination Office
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or June 28, 2007
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: XTO Energy proposes to drill the COP 16-8-7-21 well (wildcat) on a Fee lease, Emery County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 905' FNL 1942' FWL, NE/4 NW/4, Section 7, Township 16 South, Range 8 East, Emery County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
10. For further information, contact: Diana Mason Phone: (801) 538-5312	11. Signature and title of authorized officer  <i>acting for</i> Gil Hunt, Associate Director Date: June 14, 2007

Once Recorded Please Return To:
Ryan M. O'Kelley
810 Houston Street
Fort Worth, Texas 76102

MEMORANDUM OF SURFACE USE AND DAMAGE AGREEMENT

COP 16-8-17-22 and COP 16-8-7-21

KNOW ALL MEN BY THESE PRESENTS

That **C.O.P. Coal Development Company**, a Utah Corporation, whose address is 3212 South State Street, Salt Lake City, Utah, 84115-3825, ("**Grantor**") and **XTO Energy Inc.**, a Delaware Corporation, whose address is 810 Houston Street, Fort Worth, TX 76012-6298 ("**Grantee**") have entered into a Surface Use and Damage Agreement dated effective as of the 25th day of July, 2007 ("**Agreement**").

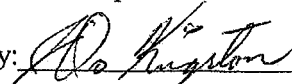
The Agreement, which is unrecorded and may be found in the files of Grantor and Grantee, is adopted herein and made a part hereof by reference to the same full extent as if all its provisions were copied in full in this Memorandum.

Pursuant to the terms of the Agreement, Grantor grants to Grantee and all of its parent, subsidiary, or other affiliated companies, their agents, employees and others authorized by them a nonexclusive private right of way upon and across Grantor's property located in the SW/4 of Section 6, N/2 & SE/4 of Section 7, SW/4 of Section 8, and the NW/4 of Section 17, Township 16 South, Range 8 East, S.L.B.&M., Emery County, Utah., in the location as approximately shown on **Exhibit A**, attached hereto and made a part hereof, for roads, gathering system pipelines, transmission pipelines, power lines, appurtenances, valves, metering equipment, cathodic protection, wires, conduits, cables, and associated facilities, related to its Operations ("**Property**"), for the purpose of access to and from mineral leases and rights it owns and operates underlying and in the vicinity of the Property ("**Leases**"), maintenance and operation of the Leases, production from the Leases and other purposes related to conducting oil and gas operations related to the Leases.

This Memorandum shall be binding on and inure to the benefit of Grantor and Grantee, their respective heirs, administrators, successors and assigns.

The parties hereto have executed this Memorandum as of the dates of the respective acknowledgements.

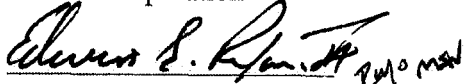
GRANTOR:
C.O.P. COAL DEVELOPMENT COMPANY
A Utah Corporation

By: 

J.O. Kingston,

President

GRANTEE:
XTO ENERGY INC.,
A Delaware corporation

By: 

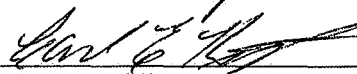
Edwin S. Ryan, Jr.

Senior Vice President – Land
Administration

State of Utah }
 }
County of Salt Lake }

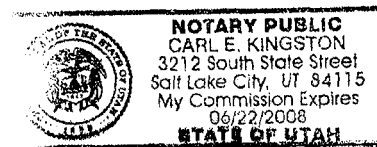
I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that J.O. Kingston, whose name as President of **C.O.P. Coal Development Company**, is signed to the foregoing Memorandum of Surface Use And Damage Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as authorized agent and with full authority, executed the same voluntarily and as the act of said corporation.

Given under my hand and official seal, this the 22 day of August, 2007.



Notary Public

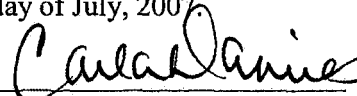
My Commission Expires _____



State of Texas }
 }
County of Tarrant }

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Edwin S. Ryan, Jr., whose name as Senior Vice President – Land Administration of **XTO Energy Inc.**, is signed to the foregoing Memorandum of Surface Use And Damage Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as authorized agent and with full authority, executed the same voluntarily and as the act of said corporation.

Given under my hand and official seal, this the 25th day of July, 2007



Notary Public

My Commission Expires _____

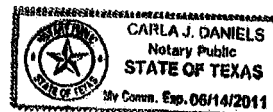


EXHIBIT "A"

(1 of 2)

THE FOLLOWING DESCRIBED RIGHT-OF-WAY
IS LOCATED IN EMERY COUNTY
STATE OF UTAH
SECTIONS 7, 8 & 17 T16S, R8E, S.L.B.&M.

R.O.W. WIDTH
A 50' RIGHT-OF-WAY
BEING 25' ON EACH SIDE
OF DESCRIBED CENTERLINE.

P.O.B. #1

A 50' R.O.W. located in the NE/4 of the NW/4, the SW/4 of the NE/4, the NW/4 of the SE/4, the NE/4 of the SE/4 and the SE/4 of the SE/4 of Section 7, the SW/4 of the SW/4 of Section 8, and the NW/4 of the NW/4, the NE/4 of the NW/4, and the SE/4 of the NW/4 of Section 17, T16S, R8E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located 453.24" South, and 1792.39" East from the Northwest corner of said Section 7; thence running S23°49'13"E, 195.54'; Thence S38°24'50"E, 250.00'; Thence S55°06'01"E, 214.29'; Thence S60°59'33"E, 694.14'; Thence S56°52'18"E, 541.76'; Thence S53°36'27"E, 184.38'; Thence S26°09'28"E, 107.26'; Thence S18°04'39"E, 1034.15'; Thence S10°14'12"E, 413.98'; Thence S32°44'02"E, 239.83'; Thence S53°48'28"E, 405.46'; Thence N87°35'50"E, 535.92'; Thence S64°55'21"E, 316.92'; Thence S38°20'14"E, 62.46'; Thence S27°50'19"E, 433.20'; Thence S55°49'49"E, 110.12'; Thence S80°09'08"E, 200.52'; Thence S59°11'22"E, 131.49'; Thence S26°22'06"E, 225.64'; Thence S09°26'49"E, 262.50'; Thence S01°29'54"W, 204.00'; Thence S24°31'23"E, 304.53'; Thence S33°18'20"E, 145.53'; Thence S42°19'36"E, 330.15'; Thence S62°57'20"E, 643.83'; Thence S57°49'41"E, 240.83'; Thence S42°51'51"E, 276.74'; Thence S44°33'14"W, 455.34'; Thence S16°17'40"E, 215.22'; Thence S45°34'25"E, 28.13'; more or less to the edge of the well site location of the COP 16-8-17-22. Length = 9403.86' (569.931 Rods) 10.79 Acres

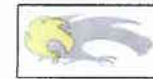
LINE TABLE		
LINE	BEARING	DISTANCE
L1	N52°03'46"E	255'
L2	S37°56'14"E	345'
L3	S52°03'46"W	755'
L4	N37°56'14"W	345'

P.O.B. #2

A parcel of land around the well site location of the COP 16-8-17-22 with a surface location in the SE/4 of the NW/4, of Section 17, T16S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 4238.51' South, and 6984.98' East of the West Quarter Corner of Section 7, T16S, R8E, S.L.B.&M., Emery County, Utah; thence running N52°03'46"E, 255'; thence S37°56'14"E, 345'; thence S52°03'46"W, 255'; thence N37°56'14"E, 345'; to the point of beginning. Containing 2.0 Acres

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



Talon Resources, Inc.

615 North, 400 East
P.O. Box 1200
Huntington, Utah 84305
Phone: (435) 657-5310
Fax: (435) 657-5311

REVISIONS

DATE:	BY:



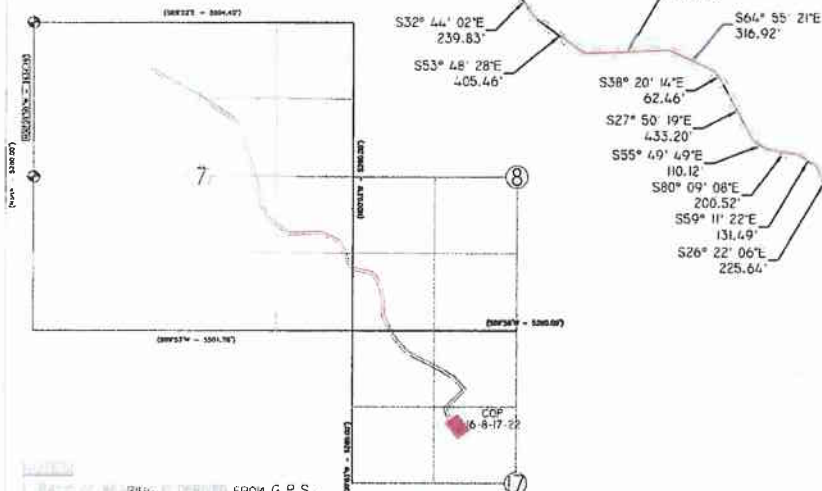
SECTION 7, 8 & 17, T16S, R8E,
EMERY COUNTY, UTAH, S.L.B.&M.

DRAWN BY:	CHECKED BY:
J. STANSFIELD	LWJ / AJS
DRAWING:	DATE:
XTO-2946	07/23/07
JOB NUMBER:	SCALE:
2946	1" = 700'
	SHEET
	1 OF 1

LEGEND

Correction Corner	C.C.
Boss Cap (Found)	⊙
GLO	()
GPS Measured	

APPROXIMATE LOCATION



Prepared For:
XTO ENERGY
Surface Use (COP)
Prepared By:
Talon Resources, Inc.

DESTINATION OF DOCUMENT			
Company / Agency	Office Location	Submission Date	
COP			
XTO Energy			

COP 16-8-17-22
SECTIONS 7, 8, & 17-16S-8E
EMERY COUNTY, UTAH

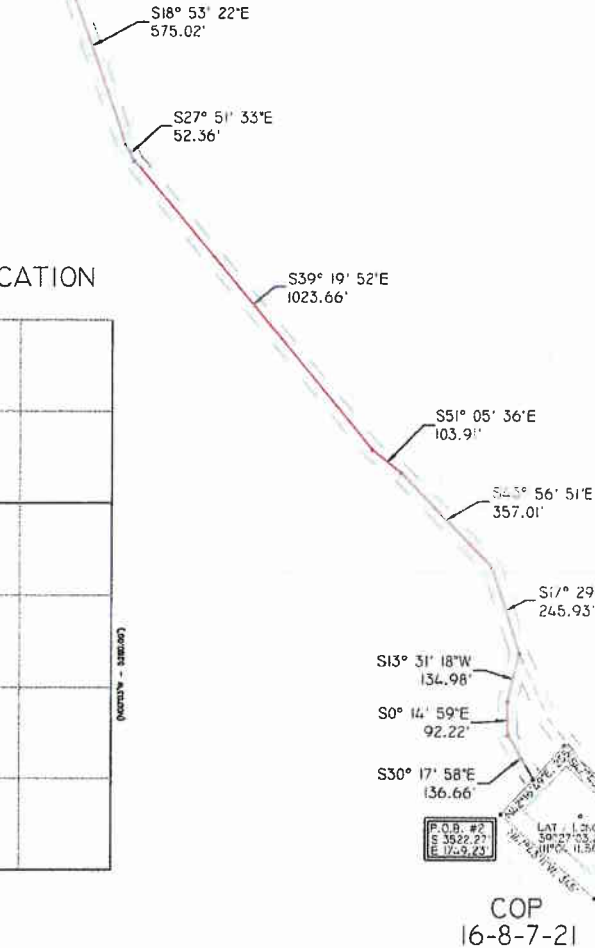
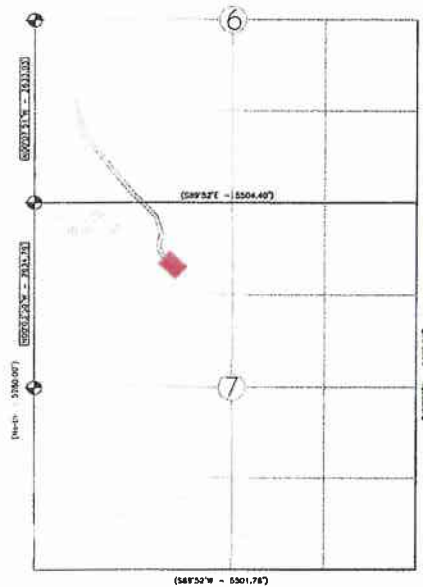
EXHIBIT "A"

(2 of 2)

THE FOLLOWING DESCRIBED RIGHT-OF-WAY
IS LOCATED IN EMERY COUNTY
STATE OF UTAH
SECTIONS 6 & 7, T16S, R8E, S.L.B.&M.

R.O.W. WIDTH
A 50' RIGHT-OF-WAY
BEING 25' ON EACH SIDE
OF DESCRIBED CENTERLINE.

APPROXIMATE LOCATION



P.O.B. #1

A 50' R.O.W. located in the NW/4 of the SW/4, the SW/4 of the SW/4 and the SE/4 of the SW/4 of Section 6, and the Ne/4 of the NW/4 of Section 7, T16S, R8E, S.L.B.&M., Emery County, Utah. Being 25' on each side of the following described centerline: Beginning at a point located on the South side of Class B Carbon County Road 302, being 1146.19' South, and 536.43' East from the West Quarter corner of said Section 6; thence running S18°53'22"E, 575.02'; Thence S27°51'33"E, 52.36'; Thence S39°19'52"E, 1023.66'; Thence S51°05'36"E, 103.91'; Thence S43°56'51"E, 357.01'; Thence S17°29'32"E, 245.93'; Thence S13°31'18"W, 134.98'; Thence S00°14'59"E, 92.22'; Thence S30°17'58"E, 136.66'; more or less to the edge of the well site location COP 16-8-7-21. Length = 2,721.75' (164.955 Rods) 3.12 Acres

P.O.B. #2

A parcel of land around the well site location of the COP 16-8-7-21 with a surface location in the NW/4 of the NW/4, of Section 7, T16S, R8E, Salt Lake Base and Meridian, Emery County, Utah. Beginning at a point being 3522.27' South, and 1749.23' East of the West Quarter Corner of Section 6, T16S, R8E, Salt Lake Base and Meridian, Emery County, Utah; thence running N42°16'49"E, 255'; thence S47°43'11"E, 345'; thence N42°16'49"W, 255'; thence N47°43'11"W, 345'; to the point of beginning. Containing 2.0 Acres

COP
16-8-7-21

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



Talon Resources, Inc.

615 North 400 East
P.O. Box 1280
Huntington, Utah 84526
Phone: (435) 687-5310
Fax: (435) 687-5311

REVISIONS

DATE:	BY:



SECTION 6 & 7, T16S, R8E,
EMERY COUNTY, UTAH, S.L.B.&M.

DRAWN BY: J. STANSFIELD	CHECKED BY: LWJ / AJS
DRAWING: XTO-2945	DATE: 07/23/07
JOB NUMBER: 2945	SCALE: 1" = 200'
	SHEET 1 OF 1

LEGEND

Correction Corner	C.C.
Brass Cap (Found)	⊕
GLO	()
GPS Measured	

NOTES

BASIS OF BEARING DERIVED FROM G.P.S.,
1983 & TRANSIT 19700 SURVEY GRADE UNIT.

Prepared For: XTO ENERGY
Prepared By: Talon Resources, Inc.

Company / Agency	Office Location	Submission Date
COP		
XTO Energy		

COP 16-8-7-21
SECTIONS 6 & 7-16S-8E
EMERY COUNTY, UTAH

Application for Permit to Drill Surface Use Plan

Company: XTO Energy, Inc
Well No: COP 16-8-7-21
Location: 905' FNL & 1942' FWL, Section 7, T16S, R8E

Thirteen Point Surface Use Plan

The dirt contractor will be provided an approved copy of the surface use plan of operations before starting construction.

1. Existing Roads

- a. Proposed route to location: The proposed route to location is shown on Exhibit "A" and is from the Hiawatha Quadrangle 7.5 minute series USGS quadrangle map.
- b. Location of proposed well in relation to town or other reference point: From Huntington, Utah, go North on Hwy 10 1.9 miles to the intersection of County Road #302 at Huntington Lake and turn left. Go 10.7 miles to the old Mohrland Mine site and continue up canyon. Continue for 3.1 miles to the top of Gentry Mountain. Turn left and enter through the gate on the private road. Go 0.5 miles South to the well location on the right side of the road.
- c. Contact the County Road Department for use of County Roads: No county road permits should be required.
- d. Plans for improvement and/or maintenance of existing roads: All existing roads within 1 mile of the drill site are shown on Exhibit "B". All roads that will be used to the well location will be maintained to their current conditions are better.
- e. Other Comments: None

2. Planned Access Roads

- a. Location of Access Road: Starting from a point along an existing road in the NW/4 of Section 7, T16S, R8E.
- b. Length of New Road: 385' of road will need to be constructed to access this location.
- c. Length of Existing Road to Upgrade: No existing roads should need upgrades to access this location.
- d. Maximum Disturbed Width: Typically new access roads require up to 60' of disturbed width which includes ROW for gas and water pipe lines and electric service.

- e. Travel Width of Access Road: 25' or less.
- f. Maximum Grade after Construction: Maximum grades will not exceed 10% after construction.
- g. Turnouts Planned: No Turnouts are planned at this time.
- h. Surface Materials: Only native materials will be used if additional construction is required. If necessary, gravel or rock may be purchased and used to improve road conditions and travel.
- i. Drainage (crowning, ditching, culverts, etc.): Roads will be re-crowned and bar ditches, if necessary, will be located on either side. 18"-24" culverts will be installed as necessary.
- j. Cattle Guards: No cattle guards are planned at this time. If necessary, cattle guards will be specified in the stipulations.
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/State/Fee right of way is required: None.
- l. Other:
 - i. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the State of Utah in Advance.
 - ii. If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.
 - iii. If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of the boundary adjustment. Rental fees, if appropriate, shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
 - iv. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the State of Utah will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the State of Utah.

- v. If the well is not productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

- a. On a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See Exhibit "B".

4. Location of Production Facilities:

- a. On-Site facilities: Typical on-site facilities will consist of a wellhead, gas flow line, water flow line, artificial lifting system (pumping unit), 2 phase separator, gas measurement, water measurement, electronics, a heated enclosure/building for weather and environmental protection and chemical injection equipment (as required). All production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable.
- b. All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, non reflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required complying with the Occupational Safety and Health Act (OSHA) may be excluded.
- c. Off-site facilities: Off-site facilities are located at the CDP station and include compression, processing, separation, tanks, pits, electronics, and produced water disposal (SWD) well.
- d. Pipelines: The well will be produced into gas and water pipelines (sizes to be determined) and transported to existing pipelines. Pipeline route has yet to be determined.
- e. Power lines: Power lines are located underground in the same ROW as the water and gas pipelines.

5. Location and Type of Water Supply:

- a. All water required for drilling will be purchased from local municipal water supply. If possible, currently produced coal well water may also be used after receiving any necessary permits. Water will be trucked to location by a third party trucking company who specializes in water hauling.
- b. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of land.

6. Source of Construction Material:

- a. Pad construction material will be obtained from (if the source is Federally owned, show location on a map): All construction material will be purchased from private land owners or from a commercial gravel/materials pit. The use of materials will conform to 43 CFR § 3610.2-3, if applicable.
- b. The use of materials under State of Utah jurisdiction will conform to 43CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

- a. Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc. The reserve pit will be located along the edge and within the boundaries of the designated well pad. The walls of the pit will be sloped at no greater than 2 to 1 and will be lined with a synthetic material of approximately 12 mills in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the pit will be fenced before drilling starts. The forth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit way remain open will typically be specified by the COA's. Once dry, the liner will be cut and removed at the mud line and the pit will be covered and buried in place.
- b. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than the completion of drilling operations.
- c. Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.
- d. Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities:

- a. No ancillary facilities will be required during the drilling or completion of the well.

9. Well Site Layout:

- a. Depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "D" & "E".
- b. All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved well pad. Any equipment and or vehicles parked or stored off the location will be considered trespassing on federal lands and will NOT be tolerated.

- c. Materials obtained from the construction of the location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the well pad.

10. Plans for Restoration of the Surface:

- a. The top 6 inches of topsoil material will be removed from the location and stockpiled separately on Adjacent Land or as specified by the approved APD.
- b. Topsoil along the access road will be reserved in place adjacent to the road.
- c. Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.
- d. The reserve pit and that portion of the location not needed for production will be reclaimed 90-120 days after completion of the well.
- e. Before any dirt work to restore the location takes place, the reserve pit must be ready for burial.
- f. All road surfacing will be removed prior to the rehabilitation of roads.
- g. Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.
- h. All disturbed areas will be re-contoured to replicate the natural slope.
- i. The stockpiled topsoil will be evenly distributed over the disturbed area.
- j. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.
- k. Seed will broadcast or drilled between September and November, or at a time specified by the BLM and or state. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.
- l. The following seed mixture will be used: As specified conditions of approval.
- m. If necessary, an abandonment marker will be one of the following, as specified by the State of Utah:
 - i. At least four feet above ground level,
 - ii. At restored ground level, or
 - iii. Below ground level.
 - iv. In any case the marker shall be inscribed with the following: operator name, lease number, well name and description (township, section, range, and either quarter-quarter or footages).
- n. Additional requirements: None

11. Surface and Mineral Ownership:

The Surface is owned by C.O.P. Coal Development Company, 3212 South State Street, Salt Lake City, UT 84155. Contact person for C.O.P. is Charles Renyolds, 435-687-2450. Surface Use agreement will be mailed in as soon as it is received. The minerals are leased by XTO Energy.

12. Other Information:

- a. Archeological Concerns: An approved contractor will submit the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the State of Utah Field Office. Within five (5) working days, the State of Utah will inform the operator as to:
 - i. Whether the materials appear eligible for the National Register of Historic Places;
 - ii. The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - iii. A time frame for the State of Utah to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the State of Utah are correct and that mitigation is appropriate.
- c. If the operator wishes, at any time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the State will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The State of Utah will provide technical and procedural guidelines for the conduct of mitigation. Upon Verification from the State of Utah that the required mitigation has been completed, the operator will then be allowed to resume construction.
- d. Threatened and Endangered Species Concerns:
 - i. An approved contractor will submit the appropriate reports as required. Special Stipulations will be included in the COA's of the approved APD.
- e. Wildlife Seasonal Restrictions: Current wildlife restrictions and closure dates are specified in the BLM's Environment Impact Statement.

13. The Drilling Program is attached: See Exhibit "F".

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/08/2007

API NO. ASSIGNED: 43-015-30716

WELL NAME: COP 16-8-7-21

OPERATOR: XTO ENERGY INC (N2615)

PHONE NUMBER: 505-324-1090

CONTACT: KYLA VAUGHAN

PROPOSED LOCATION:

NENW 07 160S 080E

SURFACE: 0905 FNL 1942 FWL

BOTTOM: 0905 FNL 1942 FWL

COUNTY: EMERY

LATITUDE: 39.45095 LONGITUDE: -111.0700

UTM SURF EASTINGS: 493980 NORTHINGS: 4366614

FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DUCO	4/1/07
Geology		
Surface		

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104312762)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. MUNICIPAL)
☒ RDCC Review (Y/N)
(Date: 06/29/2007)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: _____
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
___ R649-3-11. Directional Drill

COMMENTS:

Needs Post (05-22-07)

STIPULATIONS:

1- Spacing Strip
2- STATEMENT OF BASIS

[Handwritten signature]



OPERATOR: XTO ENERGY INC (N2615)

SEC: 7 T.16S R. 8E

FIELD: WILDCAT (001)

COUNTY: EMERY

SPACING: R649-3-3 / EXCEPTION LOCATION

Field Status

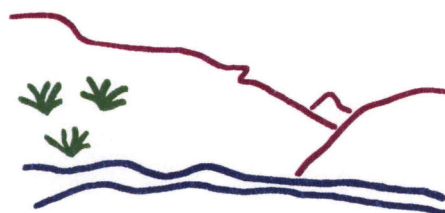
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 14-JUNE-2007

Application for Permit to Drill

Statement of Basis

9/17/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
542	43-015-30716-00-00		GW	P	No
Operator	XTO ENERGY INC	Surface Owner-APD			
Well Name	COP 16-8-7-21	Unit			
Field	WILDCAT	Type of Work			
Location	NENW 7 16S 8E S 905 FNL 1942 FWL	GPS Coord (UTM)	493980E	4366614N	

Geologic Statement of Basis

This well is situated on the highlands of the Wasatch Plateau. A review of the ground water resources for this location indicates that there are several surface water rights filed within a one mile radius of this well including three on underground sources of water. A poorly to moderately permeable soil is likely to be developed on the Cretaceous age North Horn Formation. The well will likely penetrate water saturated strata in the North Horn Formation, the Mesaverde Group and the Star Point Sandstone Member of the upper Mancos Shale, which are all within about 2000' of the surface and probably above the Base of Moderately Saline Ground Water. It is also likely that the well will penetrate several sand units of the Emery Sandstone Member of the Mancos Shale but these are sufficiently deep as to probably have poor quality ground water. There are active and historic coal mines in the area and these are also operating within the interval above 2000' below the surface. This well may penetrate workable coal beds within a mine lease and caution should be exercised in designing the casing string to protect the mining operation and the quality ground water resource. The Mohrland Mine is in nearby Left Fork (of Cedar Creek) Canyon. The proposed surface casing and cementing program ought to protect any near surface aquifers encountered during drilling although any water bearing sandstones. A benign drilling fluid system should be used as well.

Chris Kierst
APD Evaluator

9/14/2007
Date / Time

Surface Statement of Basis

On-site evaluation conducted May 22, 2007. Present: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Mark Reynolds-surface representative, Chris Nelison-Nelison Construction, Ray Trujillo-XTO, Kyla Vaughan-XTO, Ray Peterson-Emery County, Allen Childs-Talon Resources

DOGM recommends that XTO be proactive in their reclamation of project area following drilling and pipeline installation to prevent the spread of musk thistle and hounds tongue from project site into portions of their operation that are not infested.

Emery County recommends that XTO consider alternative routes of access to project site. If other routes are deemed unacceptable Emery County cautions that XTO use the county road from Moorland to Gentry Mountain wisely. Road contains many other users, steep grades and multiple rock out crops. Proactive road work would be required to maintain road in a functioning condition. Additionally adverse weather conditions can have substantial impacts to the travel conditions of the road surface.

Bart Kettle
Onsite Evaluator

5/22/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

Application for Permit to Drill

Statement of Basis

9/17/2007

Utah Division of Oil, Gas and Mining

Page 2

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator XTO ENERGY INC
Well Name COP 16-8-7-21
API Number 43-015-30716-0 **APD No** 542 **Field/Unit** WILDCAT
Location: 1/4,1/4 NENW **Sec** 7 **Tw** 16S **Rng** 8E 905 FNL 1942 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Charles Reynolds-surface owner, Mark Reynolds-surface owner, Bedos-Nelison Construction, Ray Trujillo-XTO, Kyla Vaughan-XTO, Ray Peterson-Emery County, Allen Childs-Talon Resources

Regional/Local Setting & Topography

Proposed project area is located ~20 mile northwest of Huntington, located in Emery County Utah. Project site is atop of the Wasatch Plateau on the eastern rim. Drainages flow into Huntington Creek within 20 miles and eventually to the Green River 60 miles away. Project site is located in a 24-28" precept zone in open grass/forb mountain sage flat. Regionally agriculture lands are located along the valley floor 15 miles to the southeast, with the exception of the Skyline drive portions of the Wasatch Plateau, the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate too highly erosive. At the project site vegetation is dominated by mountain sage, soils are moderately deep clay loams underlain by limestone bedrock. No perennial water sources were observed immediately adjacent to the project area.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.25	Width 170 Length 260	Onsite	NHORN

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora:

Grass: Letterman's needle grass, elk sedge, mountain brome and mutton grass.

Forbs: Dandelion, cinquefoil spp, allium spp, oldman whiskers and silver lupine.

Shrubs: Mountain sage, buckwheat spp, rabbit brush spp, common snowberry and current spp.

Trees: Douglas fir and aspen.

Fauna: Mule deer, elk, bear, mountain lion, bobcat, coyote, red fox, yellow belly marmot, ground squirrel, striped chipmunk, gray squirrel, sage grouse, blue grouse and a host of small rodents, song birds and raptors.

Soil Type and Characteristics

Moderately deep loam and gray clay limestone mix.

Erosion Issues Y

High precipitation zone has the potential to create accelerated erosion of disturbed soils.

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N

Paleo Potential Observed? N

Cultural Survey Run? N

Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	>20	10
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 25 1 **Sensitivity Level**

Characteristics / Requirements

Closed Loop Mud Required? N

Liner Required? Y

Liner Thickness 12

Pit Underlayment Required? N

Other Observations / Comments

County road used to access the well site contains many steep grades and rock outcrops. Emery county cautioned XTO that road would require continual maintenance to handle rig traffic and recommended they consider other options for rig traffic. Surface owners maintain route into Hiawatha that is available for a use fee. County roads accessing project site from the north are also an option.

Well is being drilled through coal mining operations. As planned well bore will penetrate mine pillar that is not planned to be mined.

Bart Kettle

5/22/2007

Evaluator

Date / Time

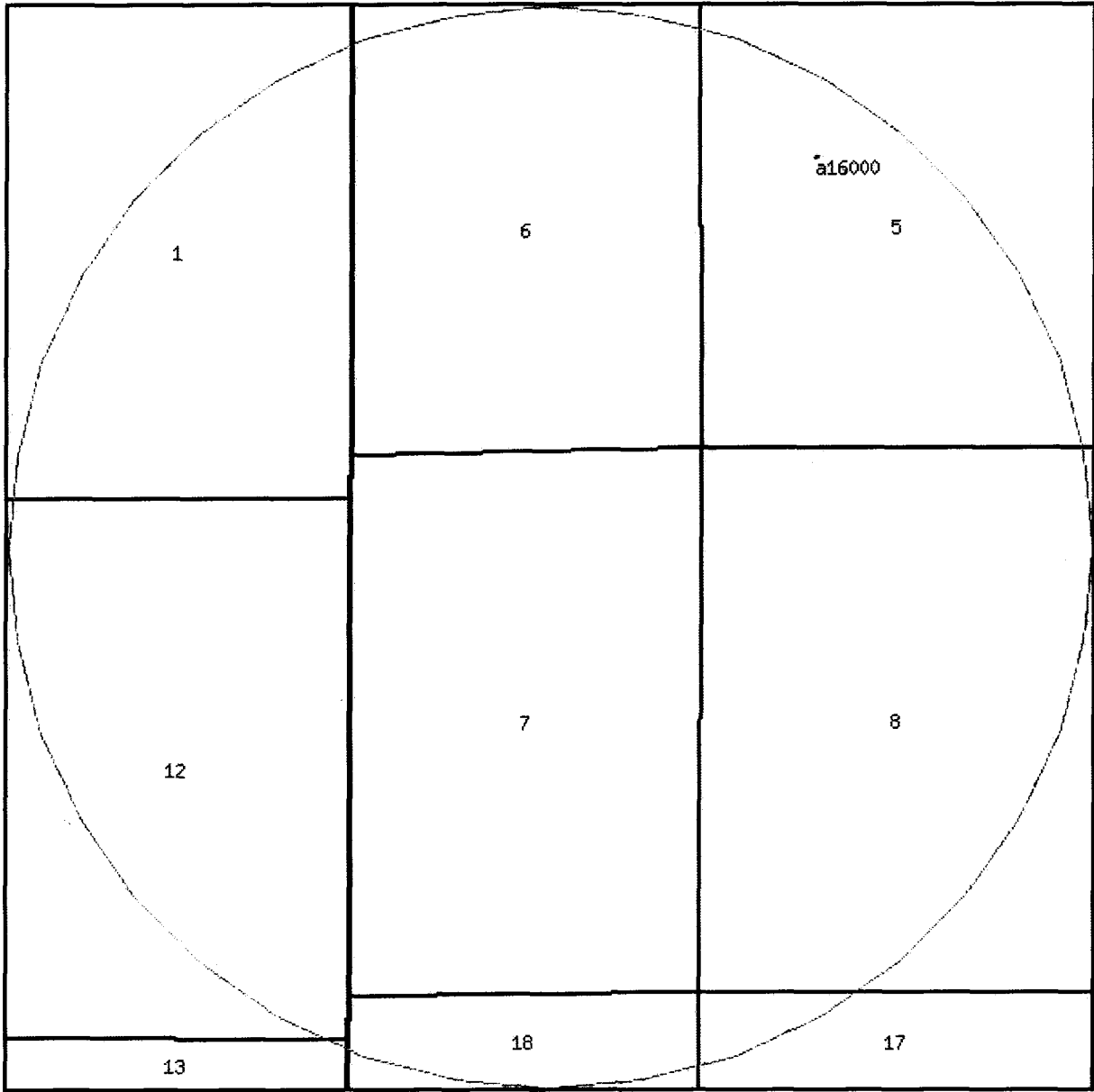
 **Online Services** **Agency List** **Business**

Utah Division of Water Rights 

WRPLAT Program Output Listing

Version: 2007.04.13.01 Rundate: 09/14/2007 04:20 PM

**Radius search of 5280 feet from a point S905 E1942 from the NW corner, section 07, Township 16S, Range 7E, SL b&m Criteria:wrtypes=W,C,E
podtypes=S,U,D,Sp status=U,A,P usetypes=all**



0 700 1400 2100 2800 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>93-3724</u>	Underground N120 E1393 W4 05 16S 7E SL		U	19980310	DM	1.000	0.000	HUNTINGTON CITY CORPORATION 40 NORTH MAIN
<u>a16000</u>	Underground N250 E1100 W4 05 16S 7E SL		A	19910204	X	0.000	26.400	GENWAL COAL COMPANY P.O. BOX 1201
<u>a16000</u>	Underground N265 E1115 W4 05 16S 7E SL		A	19910204	X	0.000	26.400	GENWAL COAL COMPANY P.O. BOX 1201

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: Fee	6. SURFACE Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: XTO Energy, Inc.				9. WELL NAME and NUMBER: COP 16-8-7-21	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. B CITY Farmington STATE NM ZIP 87401			PHONE NUMBER: (505) 324-1090		
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 905' FNL x 1942' FWL AT PROPOSED PRODUCING ZONE: same				10. FIELD AND POOL, OR WILDCAT: Ferron Sandstone	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 14 miles Northwest of Huntington, Ut				12. COUNTY: Emery	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1942		16. NUMBER OF ACRES IN LEASE 6707.23		17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 7500'		19. PROPOSED DEPTH: 7,290		20. BOND DESCRIPTION: UTB-000138	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 9493' Ground Elevation		22. APPROXIMATE DATE WORK WILL START: 8/25/2007		23. ESTIMATED DURATION: 2 weeks	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
14.75"	11.75"	J-55	47#	600	Type V	+/- 323 sx	1.61 ft3/sx	14.2 ppg
8.75"	5.5"	J-55	15.5#	7,290	CBM light wt - lead	+/- 55 sx	4.15 ft3/sx	10.5 ppg
					CBM light wt - tail	+/- 97 sx	1.81 ft3/sx	13.5 ppg
10.625"	8.625"	J-55	36#	4,600	CBM light wt - lead	+/- 195 sx	4.15 ft3/sx	10.5 ppg

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kyla Vaughan</u>	DATE <u>6/1/2007</u>

(This space for State use only)

API NUMBER ASSIGNED: _____

APPROVAL: _____

RECEIVED
JUN 11 2007
DIV. OF OIL, GAS & MINING



June 25, 2007

Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

RE: COP 16-8-7-21

Dear Diana:

In reference to the State Oil & Gas Conservation rule R649-3-3, XTO is requesting an exception location to be granted on the COP 16-8-7-21.

XTO has been working diligently with the COP Coal Development to come to an agreement as to where this location can be placed. Due to land owner issues, topographical issues, and coal mines in the surrounding area, the well bore location has been staked as a non standard location. XTO Energy Inc. respectfully request an exception location to be granted based on the above information.

There are no additional lease owners with in 460' of the proposed location. If you have any questions, please contact me at 505-564-6726.

Thank you,

A handwritten signature in black ink that reads 'Kyla Vaughan'.

Kyla Vaughan
Regulatory Compliance

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

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(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO. Fee	6. SURFACE Fee
1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR XTO Energy, Inc.				9. WELL NAME and NUMBER COP 16-8-7-21	
3. ADDRESS OF OPERATOR 2700 Farmington Ave. B Farmington NM 87401				10. FIELD AND POOL, OR WILDCAT: Ferron Sandstone	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 905' FNL x 1942' FWL 493980 X 39.450945 AT PROPOSED PRODUCING ZONE: same 4366614 Y -110.069969				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 7 16S 8E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Approximately 14 miles Northwest of Huntington, Ut				12. COUNTY Emery	13. STATE UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1942		16. NUMBER OF ACRES IN LEASE 6707.23		17. NUMBER OF ACRES ASSIGNED TO THIS WELL	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 7500'		19. PROPOSED DEPTH 7,290		20. BOND DESCRIPTION: UTB-000138	
21. ELEVATIONS (SHOW WHETHER OF, RT, GR, ETC.) 9493' Ground Elevation		22. APPROXIMATE DATE WORK WILL START 8/25/2007		23. ESTIMATED DURATION: 2 weeks	

24

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
14.75"	11.75" H-40 42#	2,200'	Type V +/- 1205 sx 1.61 ft3/sx 14.2 ppg
8.75"	5.5" J-55 15.5#	7,290'	CBM light wt - lead +/- 55 sx 4.15 ft3/sx 10.5 ppg
			CBM light wt - tail +/- 97 sx 1.81 ft3/sx 13.5 ppg

25

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

- | | |
|--|---|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5 IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Kyla Vaughan

TITLE Regulatory Compliance Tech

SIGNATURE *Kyla Vaughan*

DATE 9/28/2007

(This space for State use only)

API NUMBER ASSIGNED

43-015-30716

Approved by the
Utah Division of
Oil, Gas and Mining

(See Instructions on Reverse Side)

(11/2001)

Date: 11-01-07

By: *[Signature]*

RECEIVED

SEP 28 2007

DIV. OF OIL, GAS & MINING

XTO Energy, Inc.

COP 16-8-7-21
Drilling Data for APD
September 24, 2007

RECEIVED

SEP 28 2007

DIV. OF OIL, GAS & MINING

Surface Location: 905' FNL & 1942' FWL, Sec. 7, T16S, R8E

Proposed TD: 7290'
Approximate Elevation: 9493'

Objective: Ferron Coal
KB Elevation: 9505'

1. Mud Program:

Interval	0'-2200'	2200'-7290'
Hole Size	14.75"	8.75"
Mud Type	Fresh Water/Spud Mud	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6
Viscosity	N/A	45-60
Water Loss	N/A	8-10

- Drill surface with Fresh/Water Spud Mud. If aeration becomes necessary, nipple up 20" Rotating Head.
- Air drill to TD using produced water for mist fluid unless excessive water flow is encountered then switch to water based mud. If mud is required, use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing.
- The blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as indicated in the BOP schematic. An automatic spark-type igniter will be fixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbons and/or gasses.
- If necessary, de-dusting will be accomplished with a small pump, waterline, and spray nipple positioned near the end of the blooie line to provide a continuous spray of water.
- Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.
- The BOP system will be consistent with API RP53 and Onshore Oil & Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment subject to pressure will be conducted before drilling the casing shoe.

Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated daily. Annular preventers shall be inspected and operated weekly to ensure good mechanical working order. The inspections and tests shall be recorded in the drilling log and daily drilling report. See the attached BOP and choke manifold schematic.

2. Casing Program:

- a. Surface Casing set @ 2200' in a 14.75" hole.

11.75,42 #/ft, H-40, ST&C, New, (11.084" ID, 10.928" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
1070	1980	307	1.12	2.07	3.32

- b. Production Casing set @ 7290' in a 8.75" hole.

5.5", 15.5 #/ft, J-55, ST&C, New, (4.950" I.D., 4.825" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
4040	4810	202	1.240	1.480	1.790

Safety Factors based on vertical wellbore conditions with hydrostatic of fresh water with no backup used to calculate burst and collapse. Tension based on hanging weight in air.

If surface is set through mine workings, a DV/ECP tool will be used and the shoe will be tacked approximately two joints (85') below the mine floor and the second stage will be above the roof of the mine and cemented to surface.

3. Well Heads:

- a. Casing Head: Larkin Fig 92 (or equivalent), 13-3/8" nominal, 3,000 psig WP (6,000 psig test) with 11-3/4" 8rnd thread on bottom and 13-3/8" Flange. NU BOP and choke manifold (see attached schematic). Stack to consist of drilling spool with choke and kill lines, double rams with pipe rams on top, blind rams on bottom. Use cold water and test BOP to 250 psi low and 1,000 psi high. Record all tests on the IADC report. Inspect accumulator and closing unit to ensure that pre-charge pressures and oil levels are within API Specifications and report same on IADC report.
- b. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5 1/2" SOW (or API 8 rnd female thread) on bottom, 7 1/16" 5,000 psig flange on top with two 3" LPOs.

4. Cement Program:

- a. Surface: 1205 sx of Type V cement (or equivalent) containing 1% CaCl, ¼ pps Flocele, and 10% Cal_Seal mixed at 14.2 ppg and 1.61 ft³/sk.

- i. Slurry Volume is 1940 ft³, 200% excess of calculated annular volume to 2200'.

b. Production:

- i. The production casing will be cemented using 2 (lead and tail) cement slurries. The lead cement (filler grade) volume will be calculated based on a maximum achievable top assuming formation pressure of 1,000 psi at the shoe. The tail cement will be calculated from TD to 300' above the Upper Ferron Sandstone as indicated on the formation tops table. If fresh water is found in the Emery SS a DV/ECP will be placed in the Lower Bluegate Shale at ±4,900.

1. Lead Cement: 55 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.
2. Tail Cement: 97 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.
3. Slurry volume is 400 ft³, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

5. Logging Program

- a. Mud logger: The mud logger will come on after surface pipe is set and will remain until TD. The mud will be logged in 10' intervals.
- b. Run Array Induction (if wet), compensated neutron, density, GR, caliper, SP (if wet), and Pe from TD to the bottom of the surface casing.

Stage 1 → 6165'
152 sx → 2,466 ft³ 404 23
DV/E 163' w/ water / 322 sx
2000' w/o water / 714 sx
Stage 2 5035' (172 to surf)
to surf. w/o water
2648 w/ water

6. Formation Tops:

Formation	Well Depth
Hiawatha Seam	1665
Upper Bluegate Shale	1940
Emery SS	3325
Lower Bluegate Shale	4860
Top of Upper Ferron SS	6730
Top of Coal Zone	6767
Top of Lower Ferron SS	6990
Total Depth	7290

- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 6730' to 7290'.
- c. The Emery SS may contain fresh water. The gas bearing sandstones and coals may contain in-situ water.
- d. The Hiawatha seam may be penetrated, potentially in a previously mined area. The owner of record for the mine is CO-OP Mining Company, 3212 South State Street, Salt Lake City, Utah 84115-3825 .

The mine will be protected by setting an 11 ¾" intermediate casing through mine and cementing it as described above.

- e. Any prospectively valuable minerals and all fresh water zones encountered during drill will be recorded, cased, and cemented. If possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the appropriate agency.
- f. Maximum anticipated bottomhole pressure is anticipated to be less than 1,500 psi.
- g. No abnormal pressure, abnormal temperature, H₂S, or other hazardous conditions are known to exist.

7. Company Personnel:

Name	Title	Office Phone	Mobile Phone
John Egelston	Drilling Engineer	505.564.6734	505.330.6902
Jerry Lacy	Drilling Superintendent	505.566.7914	505.320.6543
Joshua Stark	Project Geologist	817.885.2240	817.565.7158
Leonard West	Reservoir Engineer	817.885.2800	

Operator Certification:

a. Permitting and Compliance:

Kyla Vaughan
Regulatory Compliance
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Ste 1
Farmington, NM 87401
505-324-1090

b. Drilling and Completions:

John Egelston
XTO Energy Inc.
2700 Farmington Avenue, Bldg K, Ste 1
Farmington, NM 87401
505-324-1090

c. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by XTO Energy Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided by XTO Energy Inc. This statement is subject to provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature: _____


Kyla Vaughan

BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

TESTING PROCEDURE

1. Test BOP after installation:

Pressure test BOP to 200-300
psig (low pressure) for 10 min.

Test BOP to Working Press or
to 70% internal yield of surf csg
(10 min) or which ever is less.

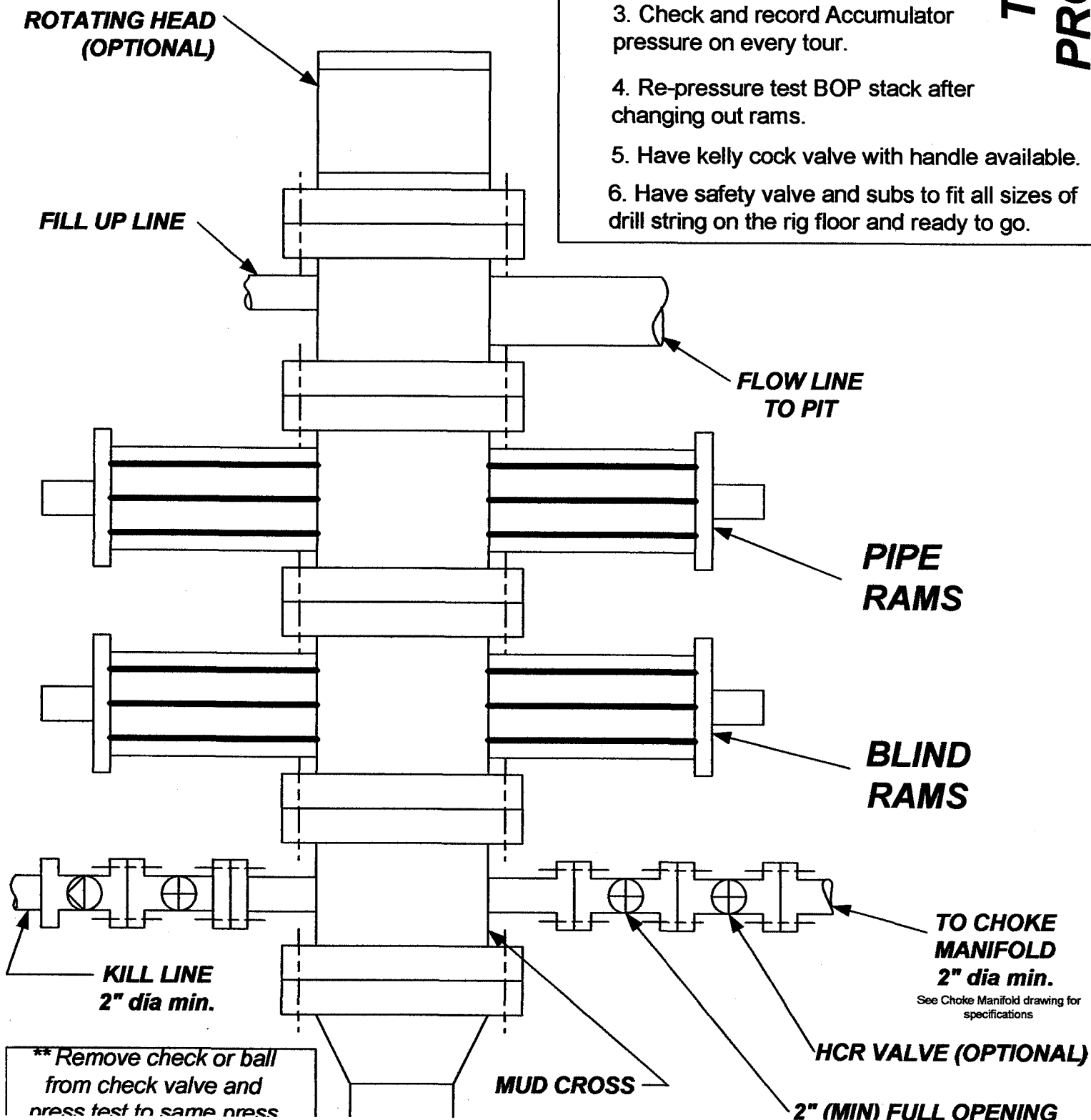
2. Test operation of (both) rams on every trip.

3. Check and record Accumulator pressure on every tour.

4. Re-pressure test BOP stack after changing out rams.

5. Have kelly cock valve with handle available.

6. Have safety valve and subs to fit all sizes of drill string on the rig floor and ready to go.



CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

1. Stake all lines from choke manifold to pit.
2. Pressure test choke manifold after installation.
3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

TESTING PROCEDURE

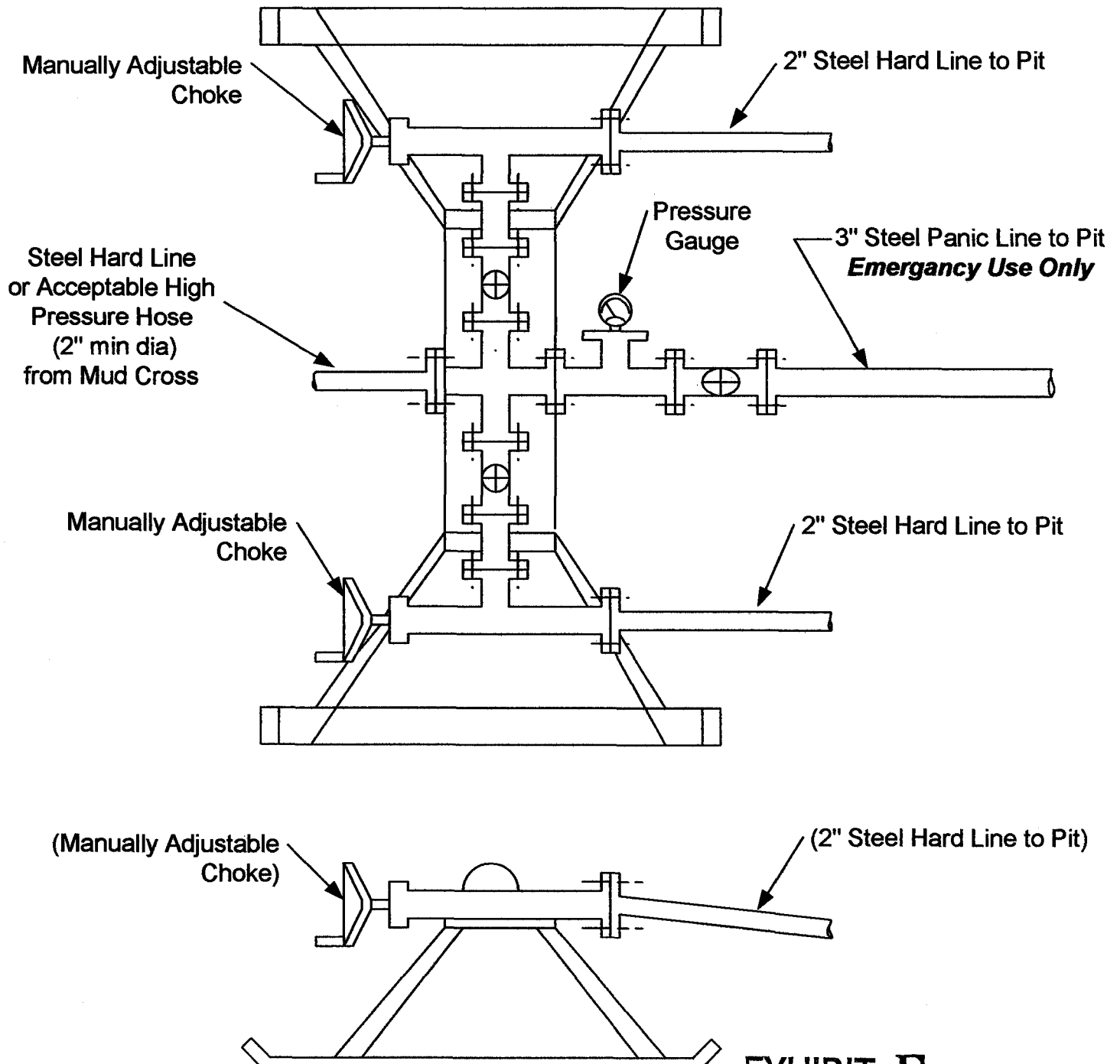
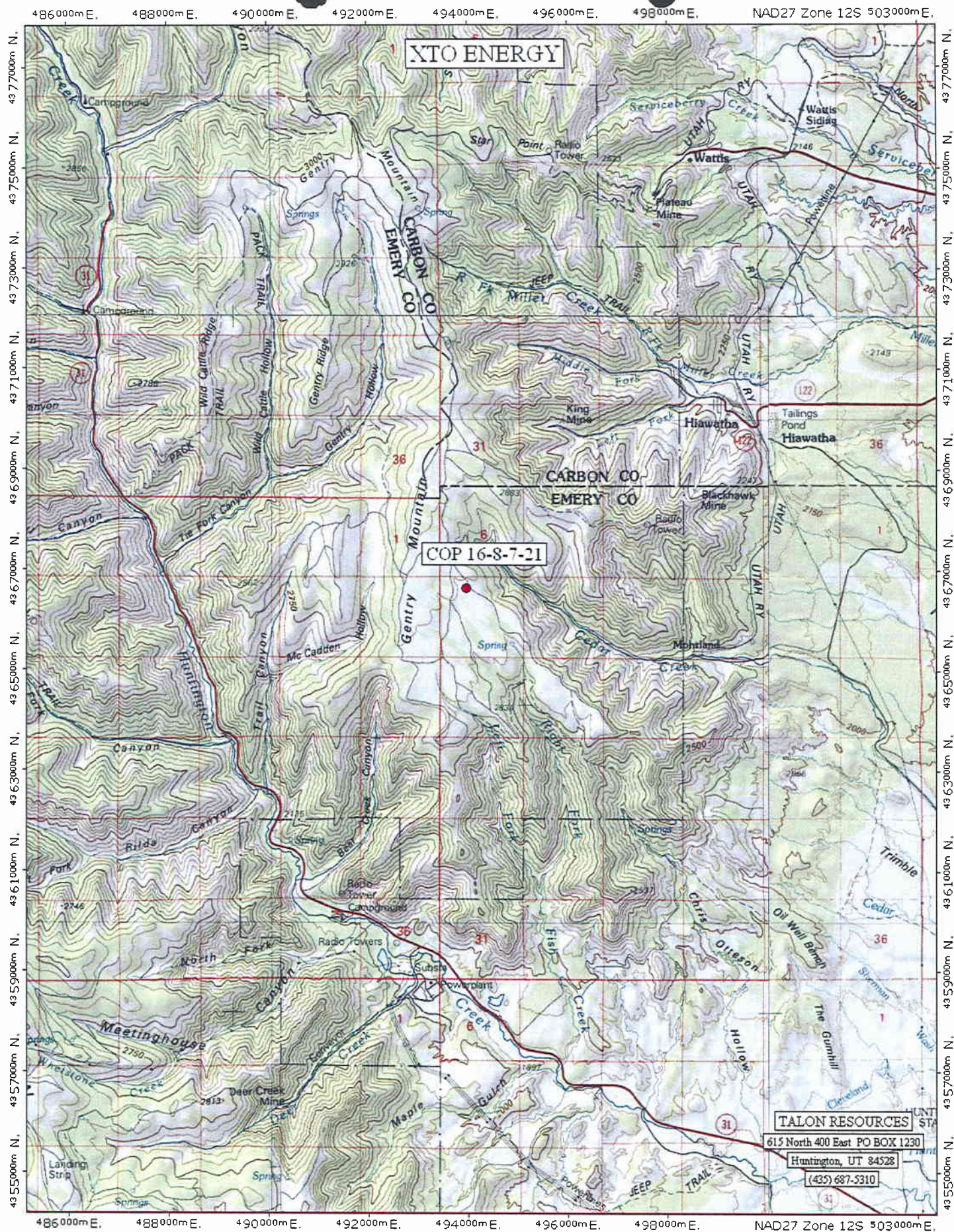


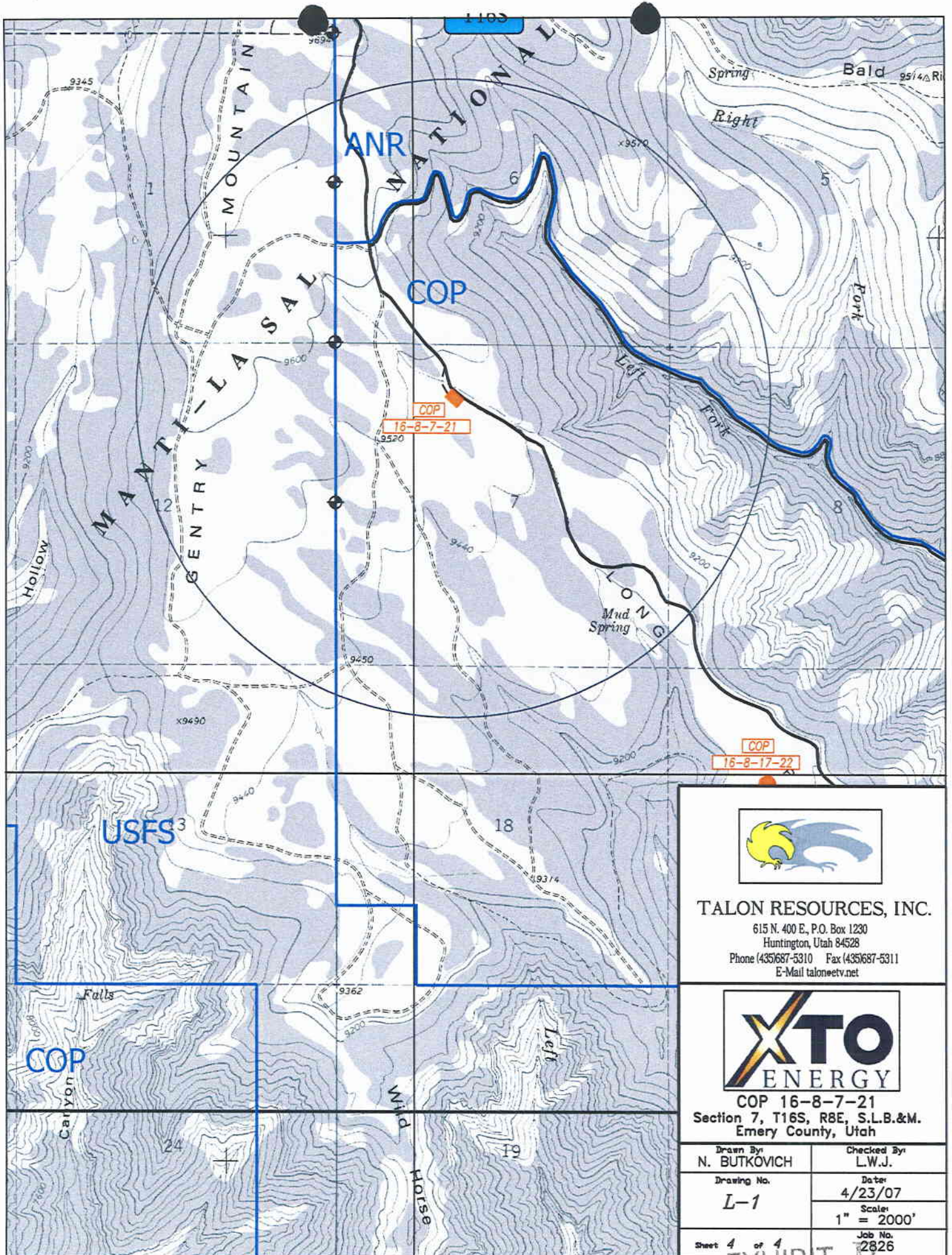
EXHIBIT F



TN/MN
12 1/2°

0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles
0 1 2 3 4 5 km
Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

EXHIBIT A



TALON RESOURCES, INC.

615 N. 400 E., P.O. Box 1230
Huntington, Utah 84528

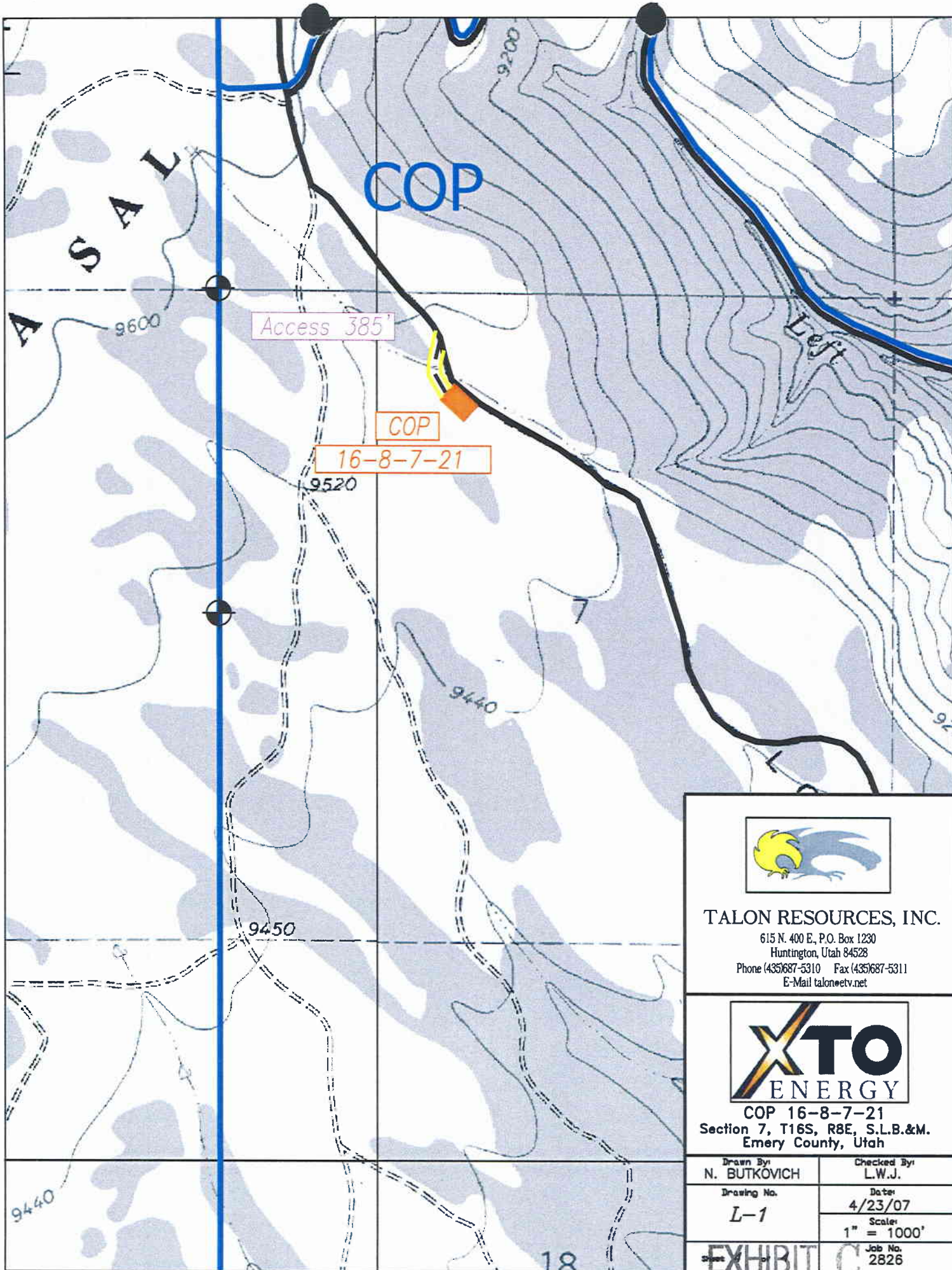
Phone (435)687-5310 Fax (435)687-5311
E-Mail taloneetv.net



COP 16-8-7-21
Section 7, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 4/23/07
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 2826

EXHIBIT B



TALON RESOURCES, INC.

615 N. 400 E., P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net



COP 16-8-7-21
Section 7, T16S, R8E, S.L.B.&M.
Emery County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. L-1	Date: 4/23/07
	Scale: 1" = 1000'
EXHIBIT C	Job No. 2826

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 9492.5'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 9491.5'

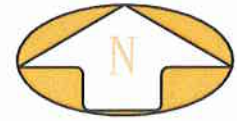
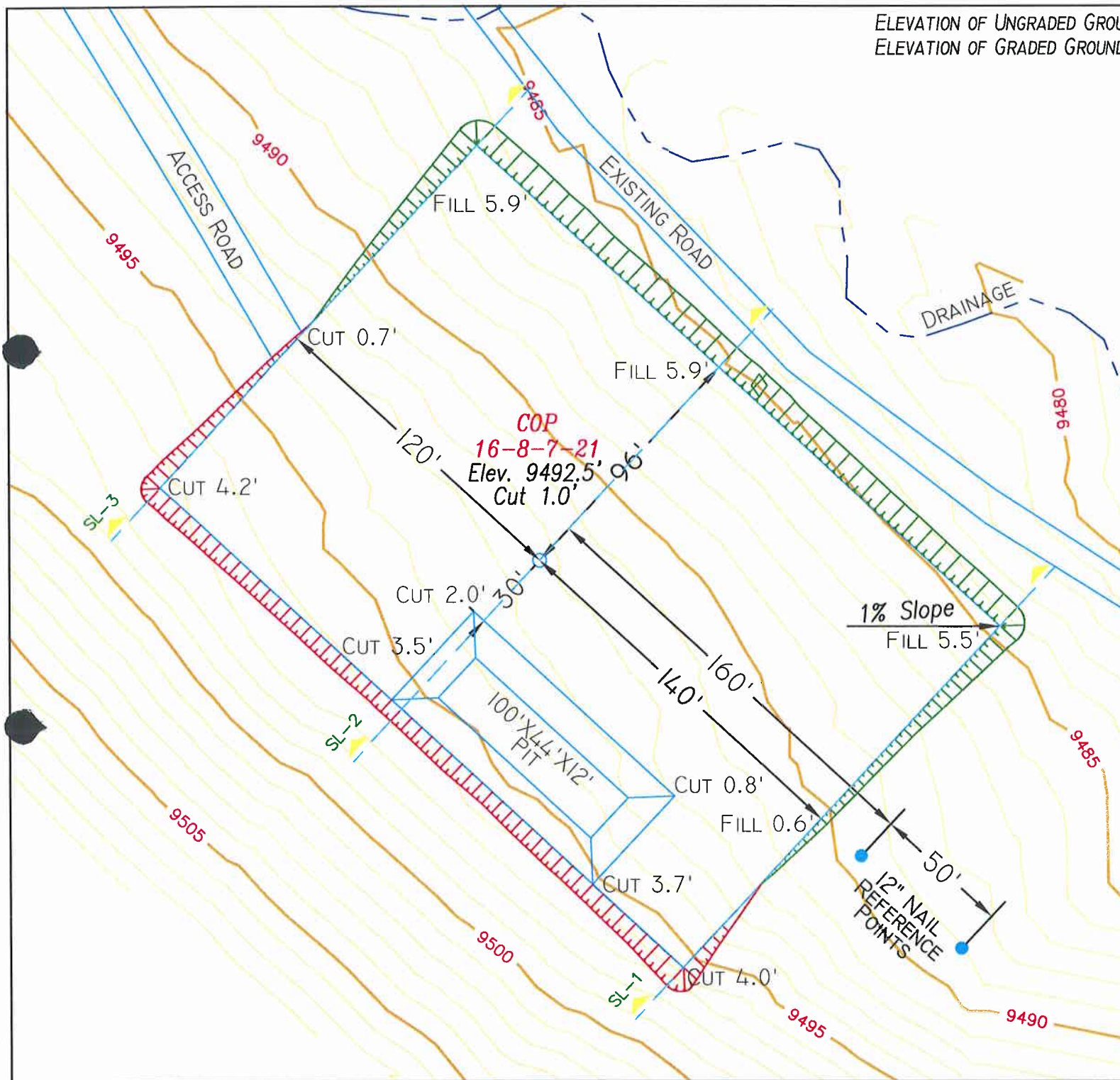


EXHIBIT D



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon@etv.net



LOCATION LAYOUT
 Section 7, T16S, R8E, S.L.B.&M.
 COP 16-8-7-21

Drawn By:
 N. BUTKOVICH

Drawing No.

A-2

Sheet 2 of 4

Checked By:
 L.W.J.

Date:
 4/20/07

Scale:
 1" = 50'

Job No.
 2826

From: <John_Egelston@xtoenergy.com>
To: <hmacdonald@utah.gov>
Date: 10/25/2007 9:36 AM
Subject: COP Surface Casing Design
Attachments: COP 16-8-7-21 -- Surface Casing Design Analysis.pdf

Helen,

Here is our surface casing design work-up. On page 3 it shows the load line for 8.33 gradient on the back side with 0.1 psi/foot gas gradient on the inside. The load that is plotted on that chart is the most severe loading condition for that mode of failure (collapse) as shown from the other loading scenarios detailed on page 6 (i.e. drilling with air/foam, full/partial evacuation, cementing, and fluid gradients with pore pressure). Page 7 shows minimum safety factors for the string sections. The 1.36 that is assessed at the surface casing shoe is pulled from the loading condition caused by C1, Full/Partial Evacuation. This is the first load back on page 6 with a column of 2.0 ppg mud (0.104 psi/ft equivalent) inside the casing and pore pressure gradient on the backside. The pore pressure gradient that I specified is not called out in the report (8.33 ppg was specified), but it can be backed out of the collapse load graph previously mentioned on page 3.

This evaluation will apply to both offset wells as they have the same pore pressure gradient and setting depth.

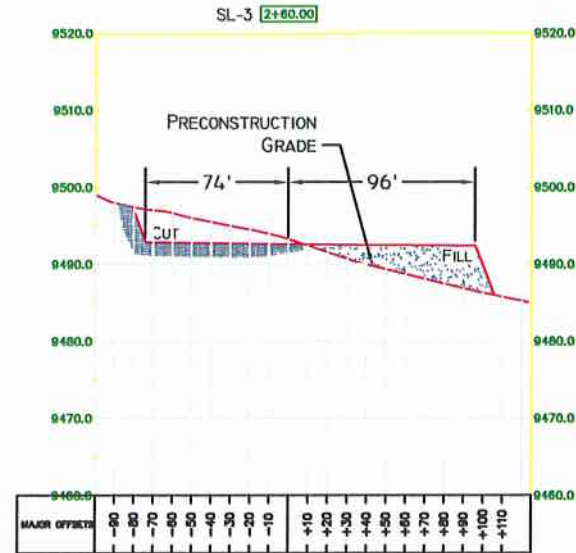
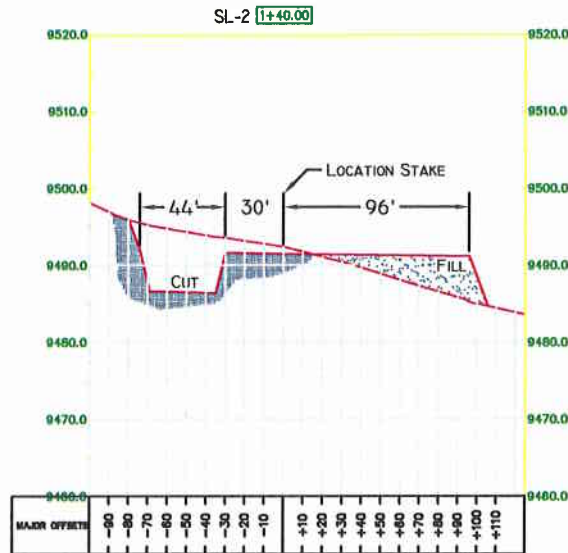
Please let me know if this helps.

(See attached file: COP 16-8-7-21 -- Surface Casing Design Analysis.pdf)

Take care,

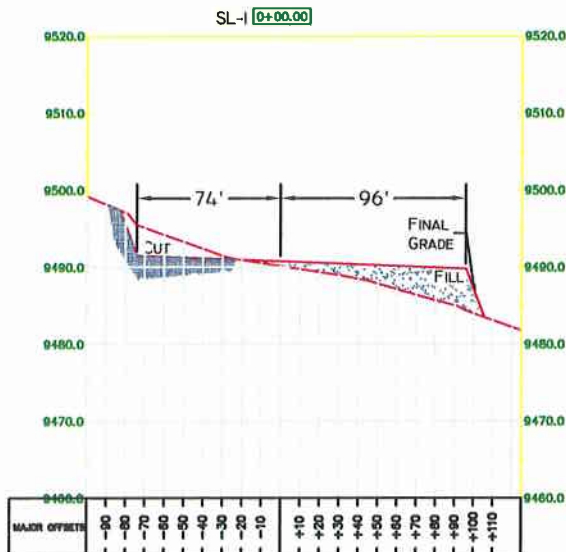
John Egelston
Drilling Engineer
XTO Energy
Ofc: 505.333.3163
Fax: 505.566.7927
Mob: 505.330.6902

EXHIBIT E



1"=10'
X-Section
Scale
1"=40'

SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1



APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 820 CU. YDS.
TOTAL CUT (INCLUDING PIT) = 2,990 CU. YDS.
TOTAL FILL = 2,655 CU. YDS.



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84328
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@ctv.net



TYPICAL CROSS SECTION
Section 7, T16S, R8E, S.L.B.&M.
COP 16-8-7-21

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 4/20/07
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 2826



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2007

XTO Energy, Inc.
382 Road 3100
Aztec, NM 87410-9532

Re: COP 16-8-7-21 Well, 905' FNL, 1942' FWL, NE NW, Sec. 7, T. 16 South, R. 8 East,
Emery County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-015-30716.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Emery County Assessor



Operator: XTO Energy, Inc.
Well Name & Number COP 16-8-7-21
API Number: 43-015-30716
Lease: FEE

Location: NE NW Sec. 7 T. 16 South R. 8 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page Two
43-015-30716
November 1, 2007

5. The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. You will be required to comply with any applicable recommendations resulting from this review.
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: NA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 905' FNL & 1942' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 7 16S 08E S		8. WELL NAME and NUMBER: COP 16-8-7-21 9. API NUMBER: 4301530716 10. FIELD AND POOL, OR WLOCAT: FERRON SANDSTONE
		COUNTY: EMERY STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 5/15/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELLBORE CHANGES
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

After further review of subsurface conditions and changes in projected formation tops (geological reinterpretation), XTO is requesting a deeper setting depth for the surface casing (2300'), two changes in the surface casing OD from 11-3/4" to 10-3/4" and production hole size from 8-3/4" to 9-7/8". In addition, XTO is changing the outside diameter of the contingency string from 8-5/8" OD to 7-5/8" OD.

All of these changes are reflected in the attached documentation (including new projected depth for all of the relevant formations).

COPY SENT TO OPERATOR

Date: 4.3.2008
Initials: KS

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 3/26/2008

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 4/1/08
BY: *[Signature]*

RECEIVED
MAR 31 2008

DIV. OF OIL, GAS & MINING

XTO Energy, Inc.

COP 16-8-7-21

Drilling Data for APD

March 26, 2008

Surface Location: 905' FNL & 1942' FWL, Sec. 7, T16S, R8E

Proposed TD: 7290'

Approximate Elevation: 9493'

Objective: Ferron Coal

KB Elevation: 9505'

1. Mud Program:

Interval	0'-2300'	2300'-7290'
Hole Size	14.75"	9.875"
Mud Type	Fresh Water/Spud Mud	Air/LSND/Gel Chemical
Weight	N/A	8.4-8.6
Viscosity	N/A	45-60
Water Loss	N/A	8-10

- a. Drill surface with Fresh/Water Spud Mud. If aeration becomes necessary, nipple up 20" Rotating Head.
- b. Air drill to TD using produced water for mist fluid unless excessive water flow is encountered then switch to water based mud. If mud is required, use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing.
- c. The blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as indicated in the BOP schematic. An automatic spark-type igniter will be fixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbons and/or gasses.
- d. If necessary, de-dusting will be accomplished with a small pump, waterline, and spray nipple positioned near the end of the blooie line to provide a continuous spray of water.
- e. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.
- f. The BOP system will be consistent with API RP53 and Onshore Oil & Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment subject to pressure will be conducted before drilling the casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain

in use until the well is completed or abandoned. Ram preventers shall be inspected and operated daily. Annular preventers shall be inspected and operated weekly to ensure good mechanical working order. The inspections and tests shall be recorded in the drilling log and daily drilling report. See the attached BOP and choke manifold schematic.

2. Casing Program:

- a. Surface Casing set @ 2300' in a 14.75" hole.

10.75, 40.5 #/ft, J-55, ST&C, New, (10.050" ID, 9.894" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
1580	3130	420	1.59	3.14	4.51

- b. Production Casing set @ 7290' in a 9.875" hole.

5.5", 15.5 #/ft, J-55, ST&C, New, (4.950" I.D., 4.825" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
4040	4810	202	1.240	1.480	1.790

- c. Contingency String Casing set @ 4600' in a 9.875" hole. (9.2 ppg mud)

7.625", 26.4 #/ft, N-80, LT&C, New, (6.875" I.D., 6.750" Drift)					
Collapse Press	Burst Press	Joint Strength	SF Collapse	SF Burst	SF Tension
3400	6020	490	1.71	3.02	4.03

Safety Factors based on vertical wellbore conditions with hydrostatic of fresh water with no backup used to calculate burst and collapse. Tension based on hanging weight in air.

If surface is set through mine workings, a DV/ECP tool will be used and the shoe will be tacked approximately six joints (270') below the mine floor and the second stage will be above the roof of the mine and cemented to surface.

3. Well Heads:

- a. Casing Head: Larkin Fig 92 (or equivalent), 10-3/4" nominal, 3,000 psig WP (6,000 psig test) with 10-3/4" 8rnd thread on bottom and 11" X 3m Flange. NU BOP and choke manifold (see attached schematic). Stack to consist of drilling spool with choke and kill lines, double rams with pipe rams on top, blind rams on bottom. Use cold water and test BOP to 250 psi low and 1,000 psi high. Record all tests on the IADC report. Inspect accumulator and closing unit to ensure that pre-charge pressures and oil levels are within API Specifications and report same on IADC report.

- b. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5 ½" SOW (or API 8 rmd female thread) on bottom, 7 1/16" 5,000 psig flange on top with two 3" LPOs.

4. Cement Program:

- a. Surface: 1345 sx of Type V cement (or equivalent) containing 1% CaCl, ¼ pps Flocele, and 10% Cal_Seal mixed at 14.2 ppg and 1.61 ft³/sk.

- i. Slurry Volume is 2165 ft³, 200% excess of calculated annular volume to 2300'.

- b. Production:

- i. The production casing will be cemented using a DV/ECP tool. On the first stage, there will be 2 (lead and tail) cement slurries. The lead cement (filler grade) volume will be calculated based on a maximum achievable top assuming formation pressure of 1,000 psi at the shoe. The tail cement will be calculated from TD to 300' above the Upper Ferron Sandstone as indicated on the formation tops table. If fresh water is found in the Emery SS the DV/ECP will be placed in the lower Bluegate Shale at ±4,750'.

- ii. Stage 1:

- 1. Lead Cement: 30 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.
 - 2. Tail Cement: 365 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.
 - 3. Slurry volume is 785 ft³, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

- iii. Stage 2:

- 1. Lead Cement: 375 sx of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk

- c. Contingency String:

- i. In the event the contingency string is set, the cement will be a one stage job (2 slurries). The Lead cement will consist of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk, and the tail slurry consisting of CBM Light Weight Cement with 10 pps Gilsonite and ¼ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk yield..

- ii. Volumes will be determined by setting depth and reported to the proper reporting agency prior to setting the string.

5. Logging Program

- a. Mud logger: The mud logger will come on after surface pipe is set and will remain until TD. The mud will be logged in 10' intervals.
- b. Run Array Induction (if wet), compensated neutron, density, GR, caliper, SP (if wet), and Pe from TD to the bottom of the surface casing.

6. Formation Tops:

Formation	Well Depth
Price River	260
Castlegate	800
Blackhawk Formation	1000
Hiawatha Seam	1805
Star Point SS	1815
Upper Bluegate Shale	2255
Emery SS	3190
Lower Bluegate Shale	4450
Top of Upper Ferron SS	6365
Top of Lower Ferron SS	6530
Tunuck Shale	6725
Total Depth	7290

- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 6365' to 7290'.
- c. The Emery SS may contain fresh water. The gas bearing sandstones and coals may contain in-situ water.
- d. The Hiawatha seam may be penetrated, potentially in a previously mined area. The owner of record for the mine is CO-OP Mining Company, 3212 South State Street, Salt Lake City, Utah 84115-3825 .

The mine will be protected by setting an 10 ¾" intermediate casing through mine and cementing it as described above.

- e. Any prospectively valuable minerals and all fresh water zones encountered during drill will be recorded, cased, and cemented. If possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the appropriate agency.

- f. Maximum anticipated bottomhole pressure is anticipated to be less than 1,500 psi.
- g. No abnormal pressure, abnormal temperature, H₂S, or other hazardous conditions are known to exist.

7. Company Personnel:

Name	Title	Office Phone	Mobile Phone
Brent Martin	Drilling Manager	505.333.3110	505.320.4074
John Egelston	Drilling Engineer	505.333.3224	505.330.6902
Bobby Jackson	Drilling Superintendent	505.333.3224	505.486.4706
Joshua Stark	Project Geologist	817.885.2240	817.565.7158
Leonard West	Reservoir Engineer	817.885.2800	

Well name:	2007-09 XTO COP 16-8-7-21rev.		
Operator:	XTO Energy, Inc.		
String type:	Surface	Project ID:	43-015-30716
Location:	Emery County		

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 97 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 150 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,019 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,290 ft
Next mud weight: 8.600 ppg
Next setting BHP: 3,257 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	10.75	40.50	J-55	ST&C	2300	2300	9.925	1267

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	995	1580	1.588	2300	3130	1.36	93	420	4.51 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: April 1, 2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS:

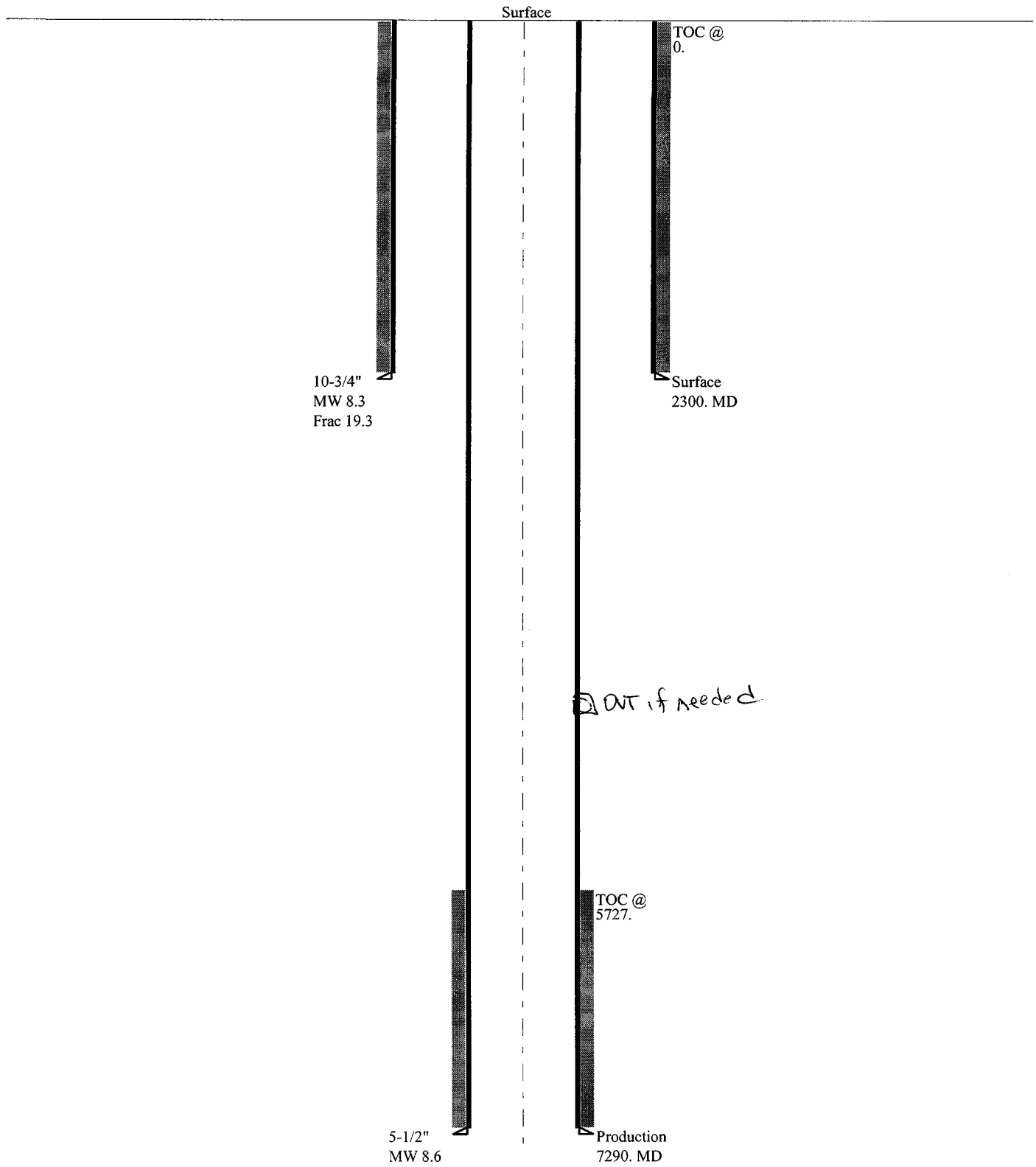
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

2007-09 XTO COP 16-8-7-21rev.

Casing Schematic



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC.

3. ADDRESS OF OPERATOR:
382 CR 3100 CITY AZTEC STATE NM ZIP 87410

PHONE NUMBER:
(505) 333-3100

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 905' FNL & 1942' FWL

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 7 16S 8E

COUNTY: EMERY

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
N/A

7. UNIT or CA AGREEMENT NAME:
N/A

8. WELL NAME and NUMBER:
COP 16-8-7-21

9. API NUMBER:
4301530716

10. FIELD AND POOL, OR WILDCAT:
FERRON SANDSTONE

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 5/15/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Enlarge Wellpad
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. requests permission to enlarge the location of the above well in order to provide a safe working space for a larger rig.

See attached.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-29-08
By: [Signature]

COPY SENT TO OPERATOR

Date: 5-1-2008

Initials: KS

NAME (PLEASE PRINT) KELLY K. SMALL

TITLE Regulatory Compliance Tech

SIGNATURE [Signature]

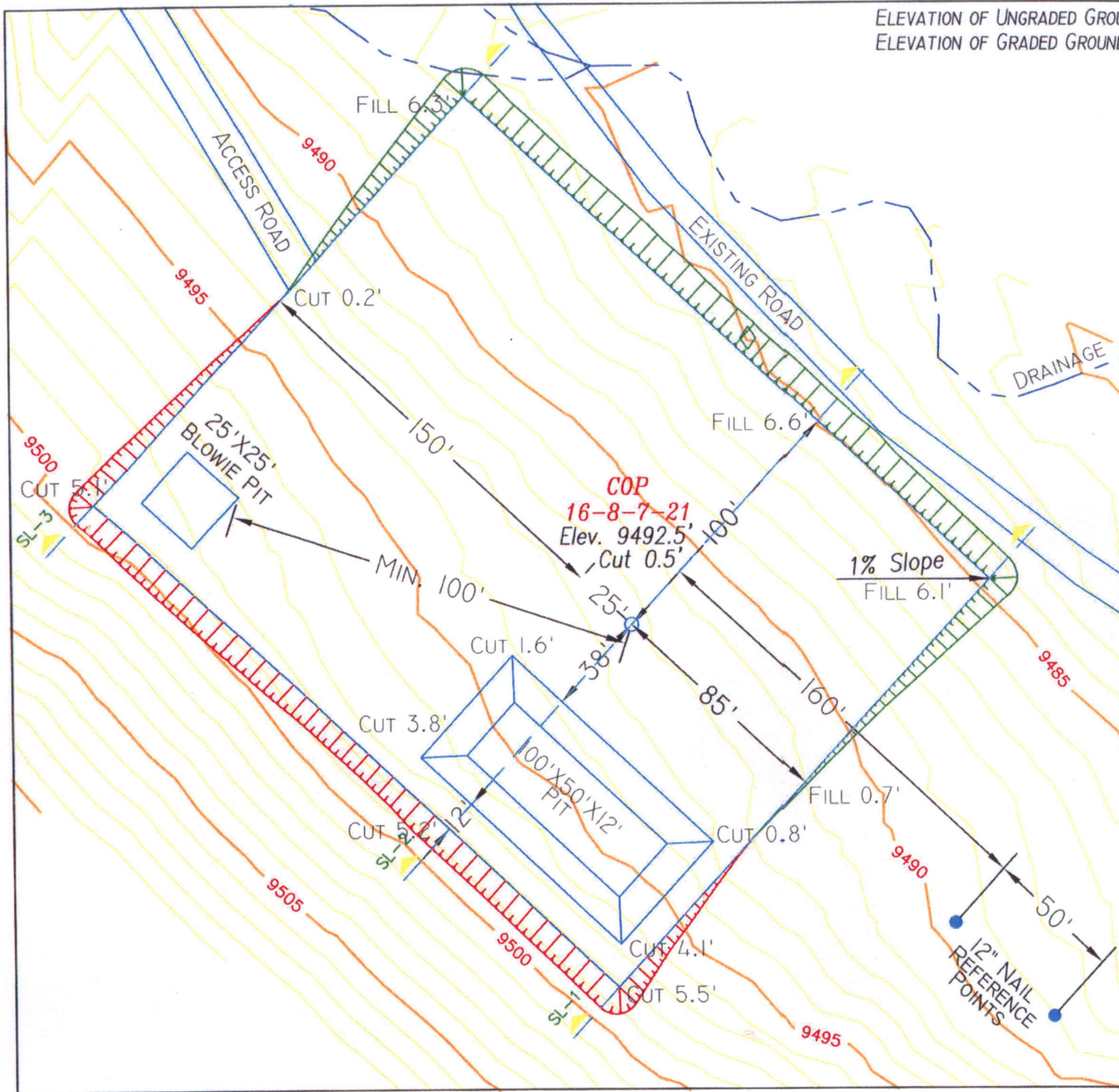
DATE 4/25/2008

(This space for State use only)

RECEIVED

APR 29 2008

DIV. OF OIL, GAS & MINING



E-Mail talon@etv.net



LOCATION LAYOUT
Section 7, T16S, R8E, S.L.B.&M.
COP 16-8-7-21

Drawn By:
N. BUTKOVICH

Checked By:
L.W.J.

Drawing No.

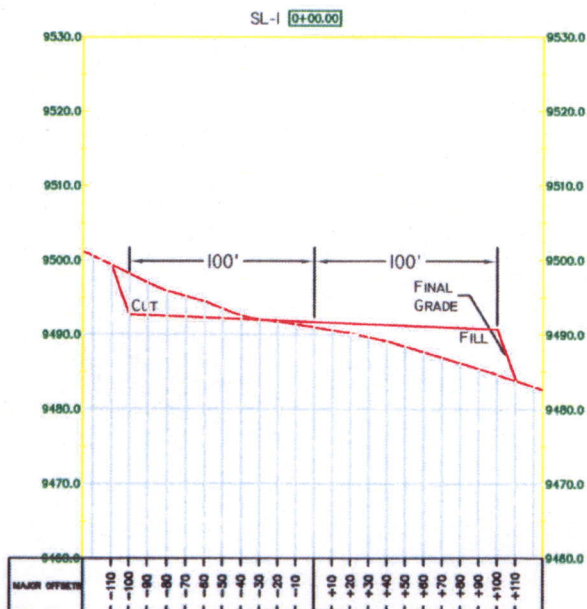
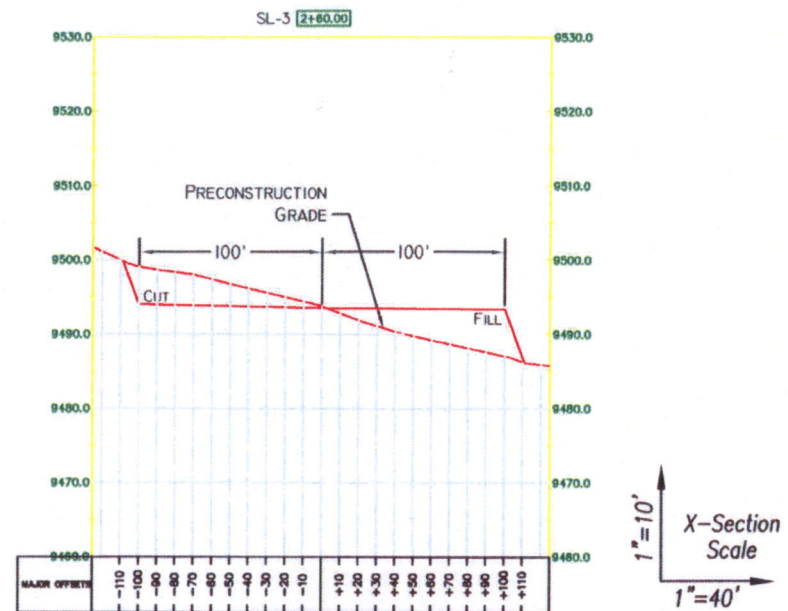
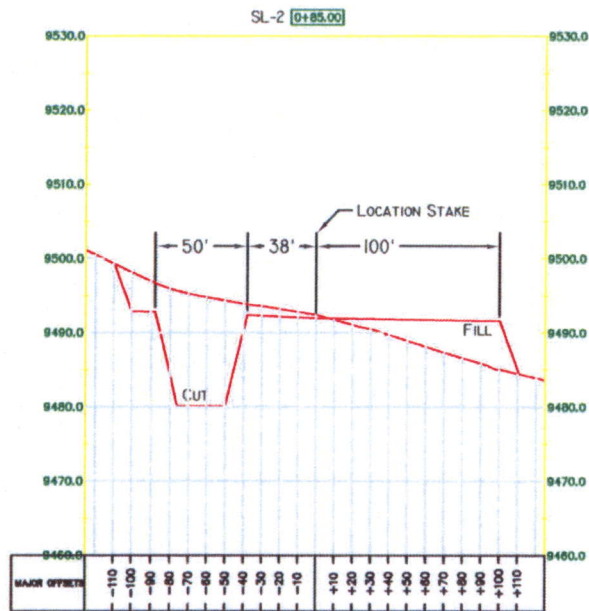
Date: /16/08

A-2

Scale:
1" = 50'

Sheet 2 of 4

Job No.
3497



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1

APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 965 CU. YDS.
TOTAL CUT (INCLUDING PIT) = 3,940 CU. YDS.
TOTAL FILL = 3,365 CU. YDS.



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net



TYPICAL CROSS SECTION
Section 7, T16S, R8E, S.L.B.&M.
COP 16-8-7-21

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 4/16/08
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 3497

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (505) 333-3100		8. WELL NAME and NUMBER: COP 16-8-7-21
4. LOCATION OF WELL FOOTAGES AT SURFACE: 905' FNL & 1942' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 7 16S 8E		9. API NUMBER: 4301530716
		10. FIELD AND POOL, OR WILDCAT: Ferron Sandstone
		COUNTY: EMERY
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. is requesting an APD extension for the above well.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-13-08
By: [Signature]

NAME (PLEASE PRINT) <u>KELLY K. SMALL</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/1/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 10.14.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

OCT 06 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301530716
Well Name: COP 16-8-7-21
Location: 905' FNL x 1942' FWL, Sec. 7, T16S, R8E, NENW
Company Permit Issued to: XTO Energy, Inc.
Date Original Permit Issued: 11/1/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Keely Small
Signature

10/1/2008

Date

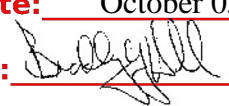
Title: Regulatory Compliance

Representing: XTO Energy, Inc.

RECEIVED

OCT 06 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: XTO ENERGY INC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410		8. WELL NAME and NUMBER: COP 16-8-7-21
PHONE NUMBER: 505 333-3159 Ext		9. API NUMBER: 43015307160000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0905 FNL 1942 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 07 Township: 16.0S Range: 08.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
		COUNTY: EMERY
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/13/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO hereby requests a one year extension on the state permit for the referenced well.		
Approved by the Utah Division of Oil, Gas and Mining Date: <u>October 05, 2009</u> By: 		
NAME (PLEASE PRINT) Eden Fine		PHONE NUMBER 505 333-3664
SIGNATURE N/A		TITLE Permitting Clerk
		DATE 10/1/2009



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43015307160000

API: 43015307160000

Well Name: COP 16-8-7-21

Location: 0905 FNL 1942 FWL QTR NENW SEC 07 TWP 160S RNG 080E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 11/1/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Eden Fine

Date: 10/1/2009

Title: Permitting Clerk **Representing:** XTO ENERGY INC

Date: October 05, 2009

By: 

RECEIVED October 01, 2009



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2010

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – COP 16-8-7-21, Sec. 7, T. 16S, R. 8E
Emery County, Utah API No. 43-015-30716

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 1, 2007. On October 13, 2008 and October 5, 2009, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective November 1, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: XTO ENERGY INC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: PO Box 6501, Englewood, CO, 80155		8. WELL NAME and NUMBER: COP 16-8-7-21
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0905 FNL 1942 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 07 Township: 16.0S Range: 08.0E Meridian: S		9. API NUMBER: 43015307160000
PHONE NUMBER: 303 397-3727 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
COUNTY: EMERY		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/6/2016	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc. has completed final reclamation of this well site per the following: 07/06/16: Spread top soil out to stressed area's of location that was not regrowing. As per request of landowners and State of Utah rep agreed upon 6/1/2016. Seed mix was per Utah Division of Wildlife Resources: Mountain Bromegrass Slender Wheatgrass Sandberg Wheatgrass Great Basin Wildrye Idaho Fescue Western Yarrow Small Burnet Sainfoin Arrowleaf Balsamroot Rocky Mountain Penstemon Fernleaf biscuitroot Alsike Clover Strawberry Clover		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 27, 2016		
NAME (PLEASE PRINT) Rhonda Smith	PHONE NUMBER 505 333-3215	TITLE Regulatory Clerk
SIGNATURE N/A	DATE 10/19/2016	